



Associated
General Contractors
Joint Legislative
Committee

February 15, 2005

The Honorable Jenny Oropeza
California State Assembly
State Capitol, Room 2148
Sacramento, CA 95814

Dear Assemblymember Oropeza:

The Associated General Contractors of California (AGC) and the Associated General Contractors-San Diego Chapter are pleased to support your efforts to enact a Constitutional Amendment that would ensure that the revenues generated from the passage of Proposition 42 are spent for transportation purposes.

AGC worked with you and your staff last year when this issue was before the Legislature at the end of the 2004 session. Our transportation funding situation has become even more critical as we approach the 2005-2006 budget year with a further revenue reduction likely.

My clients are facing a true crisis in attempting to plan for future construction and avoid downsizing their construction workforce. According to a study commissioned last year by the California Business Roundtable, a billion dollars invested in transportation projects will create 18,000 direct jobs and another 17,000 indirect jobs, generating significant tax revenues and positive impact to the California economy. Highway construction firms may have little choice but to seek work outside of California in order to survive as their backlog of construction activity diminishes.

Protecting and giving certainty to Proposition 42 revenues is a key element in returning to a solid financial plan for California's transportation future. The Associated General Contractors are pleased to support your efforts.

Sincerely,

David G. Ackerman

Legislative Advocates:

David Ackerman
Paul Gladfelty
Jamie Khan

U.S. Bank Plaza
980 9th Street, Suite 1580
Sacramento, CA 95814
(916) 444-9601
(916) 444-7841